

## Direct Wine Shipments New York State Reciprocity Determination August 22, 2005

It has come to the attention of the Department that the New York legislature has enacted new §79-c to the New York Alcoholic Beverage Control Law ("ABCL") governing the direct shipment of wine from wineries outside the state to unlicensed New York residents. The New York State Liquor Authority ("SLA") advisory on this matter dated August 5, 2005, explains the requirements and procedures required of a California winery (or winery from another state) to permit them to ship wine to any unlicensed adult individual in New York.

According to the SLA, §79-c took effect August 11, 2005. The purpose of this Bulletin is to provide assistance to licensed California wineries wishing to obtain a New York Direct Shipper's License pursuant to §79-c.

A licensed California winery applying to obtain the Direct Shipper's License must "submit in support of the license application a ruling from the applicant's state that a new York State wine manufacturer may directly sell and ship (or may apply for a license to directly sell and ship) wine produced by such New York State wine manufacturer to a resident customer of the applicant's state for person use and not for resale."

California Business and Professions Code ("BPC") §23661.2(b) provides that a "licensee in a state which affords California licensees ... an equal reciprocal shipping privilege, may ship, for personal use and not for resale, no more than two cases of wine (no more than nine liters each case) per month to any adult resident in this state. ... The shipping container of any wine sent into or out of this state under this section shall be clearly labeled to indicate that the package cannot be delivered to a minor or to an intoxicated person."

The Department has reviewed the New York and California statutes and determined that they are functionally reciprocal. Consequently, New York wineries may ship wine to adult California residents pursuant to BPC §23661.2(b). A copy of this Advisory may be submitted as the California ruling to the SLA by any California winery seeking to obtain a Direct Shipper's License pursuant to §79-c.

Anyone with questions about this advisory should direct them to:

John R. Peirce Chief Counsel California Department of Alcoholic Beverage Control 3927 Lennane Drive, Suite 100 Sacramento, CA 95834

(916) 419-2517 or -2518